



NEWS RELEASE

CALIFORNIA STATE TREASURER PHILIP ANGELIDES

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HOUSING AFFORDABILITY AND QUALITY MARK 1999 TAX CREDIT AWARDS ANNOUNCES STATE TREASURER PHILIP ANGELIDES

Sacramento, Ca -- The California Tax Credit Allocation Committee (CTCAC), chaired by State Treasurer Philip Angelides, for the first time today awarded federal and state tax credits for affordable housing under new guidelines adopted earlier this year. Under today's awards, 83 projects will create or preserve 5,779 affordable apartment units for Californians.

In June, the Committee voted to reject a random lottery system for allocating \$450 million annually, in favor of an objective point system rewarding projects for meeting affordability, quality and smart growth goals.

"Our goal is to use this precious resource to provide high-quality, affordable housing that builds strong neighborhoods and that will stand the test of time," said Angelides. "We succeeded in awarding these funds according to good public policy priorities—serving communities of economic need and assuring a high quality of neighborhood life."

Results of the allocation show that the Committee was successful in achieving its goals. All projects recommended for funding received points for sponsor development and management experience to assure high quality of housing projects. Project rents will be affordable, on average, to families earning 43.9 percent of area median income—with improved project quality as a result of new program criteria. Seventy-three percent of projects recommended for funding are within a neighborhood where a comprehensive community redevelopment effort is currently underway.

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Virtually all projects recommended for funding received points for site and service amenities – “smart growth” points. These points were awarded, for example, to projects located within walking distance to jobs, transit, and schools or which included daycare or recreation facilities.

Sixty-one percent of projects recommended for funding have non-profit developers, while 39 percent have for profit developers. By way of comparison, in 1998, 41 percent were awarded to non-profits.

Demand far exceeded available credits, with only one in four applicants receiving funding.

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